



FEDERAL ELECTION COMMISSION
WASHINGTON, D.C. 20463

RQ-3

March 7, 1996

Dennis Rivera, Treasurer
Hispanic PAC USA, Inc.
310 West 43rd Street, 7th Floor
New York, NY 10036

Identification Number: C00250217

Reference: Mid-Year Report (1/1/95-6/30/95)

Dear Mr. Rivera:

This letter is to inform you that as of March 6, 1996, the Commission has not received your response to our request for additional information, dated February 14, 1996. This notice requests information essential to full public disclosure of your federal election campaign finances. To ensure compliance with provisions of the Federal Election Campaign Act (the Act), please respond to this request (copy enclosed).

If no response is received within fifteen (15) days from the date of this notice, the Commission may choose to initiate audit or legal enforcement action.

If you should have any questions related to this matter, please contact Debbie Manzano on our toll-free number (800) 424-9530 or our local number (202) 219-3580.

Sincerely,

John D. Gibson
Assistant Staff Director
Reports Analysis Division

Enclosure



FEDERAL ELECTION COMMISSION

WASHINGTON, D.C. 20463

RQ-2

Dennis Rivera, Treasurer
Hispanic PAC USA, Inc.
310 West 43rd Street, 7th Floor
New York, NY 10036

FEB 14 1995

Identification Number: C00250217

Reference: Mid-Year Report (1/1/95-6/30/95)

Dear Mr. Rivera:

This letter is prompted by the Commission's preliminary review of the report(s) referenced above. The review raised questions concerning certain information contained in the report(s). An itemization follows:

-The beginning cash balance of this report should equal the ending balance of your 1994 Amended Year End Report. Please clarify this discrepancy and amend any subsequent report(s) that may be affected by this correction.

-The outstanding balance of a debt owed to a creditor at the close of one report should be exactly the same as the beginning outstanding balance of the next report. The 1994 Amended Year End Report shows an ending balance to Hispanic PAC, USA Non-Federal Account of \$15,456.14, while this report shows a beginning balance of \$30,856.14. Please amend your report to clarify this discrepancy.

-Your EVENT YEAR-TO-DATE calculations for Administrative/Voter Drive are incorrect. EVENT YEAR- TO-DATE totals for administrative and voter drive costs are derived by aggregating all disbursements during the calendar year for the whole Administrative/Voter Drive category, not by individual purpose such as "Utilities" or "Rent". Please amend your report by providing the correct Administrative/Voter Drive EVENT YEAR-TO-DATE totals.

-Your report discloses limited payments for administrative expenses. Administrative expenses are payments made for the purpose of operating a political committee including, but not limited to, rent, utilities, salaries, telephone service, office equipment and supplies. Any such payments to a person aggregating in excess of \$200 in a calendar year must be disclosed on Schedule B supporting Line 21(b) of the Detailed

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Summary Page. 2 U.S.C. §434(b)(5) If these expenses are being paid by a connected organization, your Statement of Organization must be amended to reflect this relationship. 2 U.S.C. §433(b)(2) In addition, if expenses have been incurred but not paid in a reporting period, the activity should be disclosed as a debt on Schedule D, if the obligation is \$500 or more, or outstanding for sixty days or more. 11 CFR §104.11

Any goods or services provided to your committee by a person, except volunteer activity (i.e., a person's time), would be considered an in-kind contribution from that person, and would be subject to the disclosure requirements of 2 U.S.C. §434(b)(3) and 11 CFR §104.13, and the limitations and prohibitions of 2 U.S.C. §§441a and 441b.

Clarification regarding administrative expenses should be disclosed during each two year election cycle beginning with the first report filed in the non-election year. Please provide the necessary information regarding administrative expenses incurred by your committee and/or amend your report to disclose such expenses according to the referenced provisions of the Act and Commission Regulations.

-Schedule D of your report has failed to include certain information. Commission Regulations require the full name and mailing address of each creditor, the outstanding balance at the beginning and end of the reporting period, the amount incurred during the period, the payment made during the period, and the nature or purpose of each debt. Additionally, all debts must be reported continuously until extinguished or settled. Please amend your report by providing the nature or purpose of the debt. 11 CFR §104.11

-On Schedule H2 of your report you disclose the ratio for Austin, TX Fundraiser to be 75 FEDERAL and 25 NON-FEDERAL. However, your Schedule H4 calculations reflect the ratio to be 50 FEDERAL and 50 NON-FEDERAL. Please amend your report to clarify this discrepancy.

Please note that if your non-federal account has ~~overpaid your federal account because of this miscalculation~~, it will be necessary to immediately transfer these funds back to the non-federal account. While the Commission may take further legal action concerning any impermissible overpayments by the non-federal account, your prompt action will be taken into consideration.

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-On Schedule H2, you have checked the fundraising box for the Austin, TX Fundraiser; however, on Schedule H4, disbursements for this event are marked as Administrative /Voter Drive activity. Please clarify this discrepancy.

-Your committee reports disbursements on Schedule B and Schedule H4 which appear to be identical. Please note that any activity which is financed entirely by the federal account should be reported on Schedule B supporting Line 21(b), not Schedule H4 supporting Line 21(a)(i). Likewise, any allocable expenses which are paid jointly should only be disclosed on Schedule H4 supporting Line 21(a)(i), not Schedule B supporting Line 21(b). Duplication in reporting disbursements may cause inflated disbursement totals. Please amend your report to clarify your disbursements. 11 CFR §106.5

A written response or an amendment to your original report(s) correcting the above problem(s) should be filed with the Federal Election Commission within fifteen (15) days of the date of this letter. If you need assistance, please feel free to contact me on our toll-free number, (800) 424-9530. My local number is (202) 219-3580.

Sincerely,

Debbie Manzano

Debbie Manzano
Reports Analyst
Reports Analysis Division

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